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SERVICE DATE - JANUARY 18, 2002

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34057]

State of Georgia, Department of Transportation–Acquisition Exemption–South Carolina Central Railroad, Inc.

State of Georgia, Department of Transportation (GDOT), a noncarrier, has filed a notice of exemption under 49 CFR 1150.31<sup>1</sup> to acquire from the South Carolina Central Railroad, Inc. (SCCR), a Class III rail carrier, but not to operate, 101.27 miles of rail lines (the Lines) located in Georgia: (1) between milepost SLB 0.38 near Columbus and milepost SLB 23 near Cusseta; (2) between Valuation Station 41+60 and Valuation Station 107+35 near Columbus; (3) between Valuation Station 0+00 and Valuation Station 41+61 near Columbus; (4) between milepost SLC 91.68 near Bainbridge, and milepost SLC 160.0 near Cuthbert; and (5) between milepost 63.55 near Dawson and milepost 72.88 near Sasser.

GDOT, SCCR, and RailAmerica, Inc., the parent company of SCCR, have entered into an agreement whereby GDOT will acquire only the physical assets in the Lines, but not the right to conduct common carrier freight operations over the Lines. SCCR and its affiliate, Georgia Southwestern Railroad, Inc. (GSWR) have entered into a separate

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<sup>1</sup> GDOT simultaneously filed a motion to dismiss the notice of exemption on jurisdictional grounds. That motion will be addressed by the Board in a separate decision.

agreement for GSWR to sell the Lines to SCCR, and for SCCR to lease the Lines back to GSWR. That related transaction is the subject of a simultaneously filed notice of exemption in STB Finance Docket No. 34144, Georgia Southwestern Railroad, Inc.–Sale and Lease Exemption Within a Corporate Family Transaction–South Carolina Central Railroad, Inc., wherein GSWR seeks to sell the Lines to SCCR and SCCR will lease the lines back to GSWR to conduct common carrier freight operations over the Lines. Concurrent with the closing of that corporate family transaction, it is expected that SCCR will sell the Lines to GDOT as described in this transaction, and SCCR will retain a permanent easement to retain the residual common carrier freight obligations over the Lines in the event that GSWR or future assignees are unable to provide common carrier service.

The transaction was scheduled to be consummated on December 28, 2001, the effective date of the exemption (7 days after the exemption was filed).

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to reopen the proceeding to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34057, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Hal Wilson, State of Georgia, Department of

Transportation, Office of Intermodal Programs, 276 Memorial Drive, S.W., Atlanta, GA  
30303.

Board decisions and notices are available on our website at  
“WWW.STB.DOT.GOV.”

Decided: January 11, 2002.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary